

## Notes

**U.S. Congress**

**Federal  
Communications  
Commission (FCC)**  
Established 1934

**National Exchange  
Carriers Association  
(NECA)**  
Established 1984  
1300 Members (2015)

**Schools  
&  
Libraries  
Corporation  
(SLC)**  
Established  
1997

**Rural  
Healthcare  
Corporation  
(RHC)**  
Established  
1997

**Universal Service  
Administration  
Company (USAC)**  
Established 1997

**Rural  
Healthcare Division**  
Est. 1999

**High  
Cost  
Division**  
Est. 1997

**Low  
Income  
Division**  
Est. 1997

**Schools &  
Libraries  
Division**  
Est. 1999

**1984** - Industry reps form NECA as a result of an FCC order.

**July 1997** - FCC ordered NECA to create the USAC, a private non-profit subsidiary of NECA to administer the High Cost and Low Income Funds.

**July 1997** - FCC Also directed NECA to establish two other non-profit corporations, the Schools and Libraries Corporation (SLC) and the Rural Health Care Corporation (RHC); both were to be independent and unaffiliated with NECA and USAC.

**July 1998** - A Congressional hearing was held and it was eventually determined the SLC and RHC were illegally formed.

**January 1999** - A Congressional directive ordered the SLC and the RHC to merge with USAC effective 01 January 1999. SLC became the Schools and Libraries Division (SLD) and the RHC became the Rural Healthcare Division (RHD).

USAC is a subsidiary of NECA but NECA does not oversee the operations of USAC. It is the FCC that oversees the USAC.